

Message Text

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11

ACTION NEA-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-11 INR-10 LAB-06

NSAE-00 RSC-01 SIL-01 DODE-00 PM-07 H-03 L-03 NSC-10

PA-04 PRS-01 SPC-03 SS-20 USIA-15 ACDA-19 IO-14 INT-08

SCEM-02 NIC-01 SY-10 AF-10 EUR-25 DRC-01 /198 W

----- 054513

R 071116Z NOV 73

FM AMEMBASSY KUWAIT

TO SECSTATE WASHDC 8054

INFO AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMCONSUL DHAHRAN

AMEMBASSY JIDDA

AMEMBASSY MANAMA

AMEMBASSY TEVRAN

AMEMBASSY DOHA POUCH

AMEMBASSY MUSCAT POUCH

C O N F I D E N T I A L KUWAIT 3971

BEIRUT PASS BAGHDAD

E.O. 11652: GDS

TAGS: ELAB PINT PFOR KU

SUBJ: IMPLICATIONS OF GROWING STRENGTH OF KUWAITI LABOR UNIONS

REF: 1) KUWAIT A-011; 2) KUWAIT A-117; 3) KUWAIT 3301; 4)
KUWAIT 3739; 5) KUWAIT 3853

SUMMARY: KUWAITI LABOR DEVELOPMENTS OVER PAST FEW MONTHS IN
GENERAL, AND OVER PAST FEW WEEKS IN PARTICULAR (SEE REFS),
INDICATE GOK MIGHT WELL HAVE UNLEASHED FORCE WHICH, COMBINED
WITH OTHER ALREADY PRESENT FORCES, COULD VERY LIKELY COMPEL
KUWAIT ADOPT MORE LEFTIST POLICIES, BOTH INTERNALLY AND EXTER-
NALLY. END SUMMARY

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1. KUWAITI LABOR UNIONS HAVE LONG BEEN KNOWN BE MILITANTLY

LEFTIST, BUT, UNTIL RECENTLY, HAVE BEEN LARGELY INEFFECTIVE AND HAVE NOT BEEN CONSIDERED MUCH THREAT EITHER TO GOK OR TO OTHER REGIMES IN GULF. RECENTLY, HOWEVER, THIS HAS BEGUN TO CHANGE AS MORE INTELLIGENT AND SOPHISTICATED LABOR LEADERS HAVE RISEN TO KEY POSITIONS.

2. NEW LEADERS ARE, FOR MOST PART, DEDICATED MARXISTS AND CANNOT BE BOUGHT OFF OR INTIMIDATED EASILY. IN ADDITION, IRAQI BAATHISTS HAVE BEEN MAKING REAL EFFORT TO PENETRATE KUWAITI LABOR MOVEMENT, AND THERE HAS BEEN RECENT TENDENCY FOR KUWAITI UNIONS DRAW AWAY FROM CAIRO-BASED "INTERNATIONAL CONFEDERATION OF ARAB TRADE UNIONS" AND SEEK ASSISTANCE FROM "INTERNATIONAL LABOR CENTER" OF BASRA. RELATIVELY INCREASING STRENGTH UNIONS DEMONSTRATED RECENTLY DURING SEPTEMBER STRIKE AT AMINOIL AND RECENT THREE DAY STRIKE AT KOC AND AMINOIL.

3. NEXT STAGE IN SHOWDOWN EASILY COULD COME WITHIN NEXT FEW DAYS. GOK HAS TOLD BOTH AMINOIL AND KOC NOT RPT NOT TO PAY STRIKERS FOR THREE DAYS THEY ON STRIKE. SINCE KOC ALREADY HAS PAID STRIKERS, THIS BECOMES A MATTER WITHHOLDING MONEY FROM NEXT CHECK NEARLY MONTH FROM NOW. KOC CAN AFFORD TO WAIT AND SEE WHAT HAPPENS. AMINOIL IN WEAKER POSITION. COMPANY AFRAID, WITH SOME JUSTIFICATION, THAT THE GOVERNMENT WILL NOT BACK COMPANIES AND THEY, SPECIFICALLY AMINOIL, WILL BE CAUGHT IN MIDDLE AND BE FORCED TO FACE IRATE UNIONS ALONE. MINISTER OF OIL HAS TOLD AMINOIL THAT COMPANIES ARE AUTHORIZED TO TELL UNIONS GOK APPROVES NON-PAYMENT OF SALARIES; HOWEVER, IT IS NOT TOO DIFFICULT TO IMAGINE SCENARIO, ESPECIALLY WITH PARLIAMENT CURRENTLY IN SESSION, IN WHICH SITUATION COULD SNOW-BALL TO EXTENT THAT DEMANDS FOR CONFISCATION OF AMINOIL'S ASSETS MIGHT BECOME IRRESISTABLE. PAYDAY FOR AMINOIL WORKERS WAS NOV 7 AND WORKERS WERE NOT RPT NOT PAID FOR STRIKE PERIOD.

4. THREE DAY STRIKE DID NOT ACHIEVE UNIONS' DEMANDS, SINCE GOK HAS GIVEN NO INDICATION THAT IT INTENZ TO NATIONALIZE EITHER GULF PORTION KOC OR AMINOIL. HOWEVER, UNIONS MAY WELL CALL ANOTHER GENERAL STRIKE, PERHAPS MORE SEVERE TO FORCE THE GOVERNMENT'S HAND, PARTICULARLY IF OVERALL MIDEAST SITUATION DETERIORATES.

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5. COMMENT: WORTH BEARING IN MIND THAT ONLY KUWAITIS CAN BE UNION MEMBERS. MOREOVER HISTORICAL RESENTMENT OF BEDU TOWARD TOWNSPEOPLE EXISTS. BEDU FEEL, WITH JUSTIFICATION, THAT GREATLY DISPROPORTIONATE SHARE OF KUWAIT'S WEALTH HAS GONE TO TOWNSPEOPLE. OIL WORKERS' UNIONS, ARE FIRMLY IN HANDS OF BEDU. INFLUENCE OF IRAQ AND MARXIST IDEOLOGY OF UNION MEMBERS AND ADVISORS ALSO RELEVANT. RESULT IS THAT GOK BEING CONFRONTED BY FORCE DEMANDING SIGNIFICANT, LEFTWARD CHANGES IN BOTH DOMESTIC AND

FOREIGN POLICIES.

6. GOK'S RESPONSE REMAINS TO BE SEEN. HIGH LEVEL GOK OFFICIALS, SOME OF THEM MINISTERS, HAVE BEEN HEARD TO SAY, IN EFFECT, "WE MUST CRUSH UNIONS, AND WE'LL TAKE CARE OF IT AFTER CURRENT CRISIS DIES DOWN". BUT SUCH STATEMENTS ARE COMING FROM OFFICIALS NOT MEMBERS OF THE RULING FAMILY. PRIME MINISTERS SEEMS SINGULARLY RELUCTANT TO ACT AGAINST UNIONS, PERHAPS BECAUSE OF STRONG BEDU INVOLVEMENT. WE FEAR TIME TO ACT HAS EITHER PASSED OR RAPIDLY PASSING, AND UNIONS PROBABLY MUST BE ADDED TO LIST OF EFFECTIVE "PROGRESSIVE" FORCES ACTING UPON THE GOVERNMENT.
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